C.   REMARKS

The Office Action has rejected claims 1-17 and 21-24 under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 7,016,872 to Bettis et al. in view of U.S. Patent No. 6,030,288 to Davis et al.; claims 19, 20, and 25 have been rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 7,016,872 to Bettis et al. in view of U.S. Patent No. 6,030,288 to Davis et al. in further view of U.S. Publication No. 2002/0032632 to Sernet.

U.S. Patent No. 7,016,872 to Bettis et al. (*"Bettis"*) describes a system for evaluating and disseminating investor performance information. The investor's performance is evaluated by utilizing information pertaining to at least one transaction made by the investor, such as an individual or entity, involving at least one investment. This evaluation includes determining a performance score indicative of the investor's performance relative to other investors. The performance score is determined at least in part by considering an average historical performance of the investment, following the transaction. In addition, the performance score also is determined by a historical consistency of the investor's performances with respect to transactions involving the investment, and the number of transactions made by the investor. Then, the performance score of the investor may be compared against the performance scores of other investors. Advantageously, this performance score may be used to produce a ranked list of investors in a particular industry, as well as with investors in different industries.

U.S. Patent No. 6,030,288 to Davis et al. ("Davis") describes a system for verifying gaming transactions over a communications network. A host processor receives a random number from a satellite processor over the communications network. The host processor generates a game seed based on the random number. The host processor also receives an arbitrary game input from the satellite processor and generates a game result based on the game input, the game seed, and predetermined game rules. The satellite processor provides the random number and the arbitrary game input to the host processor over the communications network, and receives data corresponding to the game seed and the game result from the host processor. The satellite processor verifies the honesty of the transaction by generating a game result based on the game input, the

data corresponding to the game seed, and the predetermined game rules, and comparing the generated game result with the received game result.

Thus, the Office Action attempts to combine a system for evaluating and disseminating investor performance information with a system for verifying gaming transactions over a communications network. This is illogical and lacks common sense.

Initially, what would the combined system even be applied to? Evaluating a gambler's performance? Evaluating the verification of "honest" transactions? It is clear that the Office Action has merely applied bits and pieces of the prior art together with hindsight lacking on common sense. Moreover, neither of the applied references is even from the area of the present invention: trading simulation.

For these reasons alone, the rejection of the claims should be withdrawn.

In addition, in arguing that *Bettis* "discloses" several elements of the claims, the Office Action actually cites to *Bettis's* description of prior art references. For example, in citing to column 2, lines 50-67 as disclosing a computer network, the Office Action is citing to the description of U.S. Patent No. 5,761,442 to Barr et al. directed to an artificial neural network for selecting securities. In addition, in citing to column 1, lines 57-64 as disclosing a database for storing player files and indications submitted by players, the Office Action is citing to the description of "prior art" that provides information on insider holdings, trades, outsider interests, and other investment trader actions provided by the SEC.

More significantly, in citing to column 2, lines 33-49 as disclosing an indication selected by a player and as disclosing software for selecting and receiving indications from a player, the Office Action is citing to the description of U.S. Patent No. 5,812,987 to Luskin et al. that describes an investment fund management system. And in citing to column 2, lines 22-32 as disclosing retrieving player portfolio, the Office Action is citing to the description of U.S. Patent No. 4,566,066 to Towers that describes a securities valuation system. Thus, it is seen that the rejection allegedly based on *Bettis* is in fact based on four additional references in topics ranging from an artificial neural network for selecting securities to providing information on insider holdings, trades, outsider interests, and other investment trader actions provided by the SEC to an investment fund

management system to a securities valuation system. It belies logic to argue that these non-trading simulation reference apply to trading simulation.

For this additional reason, the rejection of the claims should be withdrawn.

Still further, the Office Action admits that *Bettis* does not disclose a winner; however, the citation to *Davis* does not salvage this deficiency. The Office Action cites to "paragraph 234" (sic, column ?, lines?) of *Davis* as disclosing a winner; *however, the only mention of "winner" in Davis is under the* "Theory of Operation" section talking about "Generic transaction processing systems": "Generic transaction processing systems can be thought of as games: they include one or more parties (players) that interact in a structured way (rules) to reach some conclusion (determine a winner)." (Column 24, lines 36-38). Thus, Davis does not determine a winner: *Davis* uses generic transaction processing systems in its operation of verifying gaming transactions over a communications network.
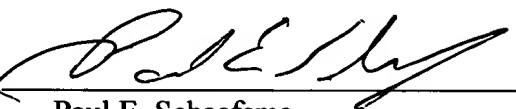
For this additional reason, the rejection of the claims should be withdrawn.

Therefore, it is respectfully submitted that all of the claims recite patentable subject matter and are in condition for allowance. Accordingly, favorable consideration and allowance of the application is respectfully requested.

Respectfully submitted,

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